

# Department of Justice

United States Attorney James A. Lewis  
Central District of Illinois

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**Former Kankakee County Bank Loan Officer Indicted  
for Receiving Kickback and Money Laundering**

Urbana, Ill. – A federal grand jury today returned a two-count indictment that charges a Clifton, Ill., man, David Rabideau, 41, a former loan officer and vice president of the State Bank of Herscher, in Kankakee county, Ill., with the illegal receipt of money for procuring a loan and money laundering. The indictment alleges that Rabideau corruptly received \$75,000 as a kickback in connection with a loan while he was employed by the bank, and then used more than \$10,000 of the proceeds in a financial transaction.

According to the indictment, around April 2007, Rabideau allegedly approached and discussed with a loan recipient a loan from the State Bank of Herscher to purchase real estate in Kankakee county. Rabideau allegedly told the loan recipient that the property would be subdivided into separate parcels for resale at a profit; that Rabideau already had a buyer for one of the parcels; that Rabideau would be a silent partner; that the loan would need to be in the loan recipient's name; and, that Rabideau would serve as the loan officer. The loan recipient agreed to the transaction and applied for a loan of approximately \$500,000 from the State Bank of Herscher. Rabideau served as the loan officer, and sought and received authorization for the loan from the bank's loan committee, but failed to disclose to the committee his own interest in the transaction. Around April 17, 2007, the loan recipient received the loan and purchased the real estate, which was subdivided into separate parcels.

On May 17, 2007, the indictment alleges that the loan recipient sold one of the subdivided parcels for approximately \$350,000 to a purchaser that Rabideau had located. The purchaser financed the purchase with a loan, approved by Rabideau, from the State Bank of Herscher. Following the closing on this sale, Rabideau allegedly presented the loan recipient with a \$75,000 cashier's check from the State Bank of Herscher and solicited \$75,000 from the loan recipient as a "finder's fee" or "profit" from the transaction. Rabideau then improperly accepted a \$75,000 check from the loan recipient intending to be influenced and rewarded in connection with the loan transaction. On May 21, 2007, Rabideau used the \$75,000 to open a personal savings account at another bank, and on Aug. 14, 2007, Rabideau transferred \$15,940 of the criminally-derived proceeds from his personal savings account to pay off a personal mortgage.

The charges are the result of an investigation by the Internal Revenue Service Criminal Investigation Division; the Federal Deposit Insurance Corporation (FDIC) Office of Inspector General; and the Federal Bureau of Investigation. The case is being prosecuted by Assistant U.S. Attorney Eugene L. Miller.

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If convicted, for the offense of accepting a kickback for procuring a loan, the maximum statutory penalty is up to 30 years in prison; for money laundering, the maximum statutory penalty is ten years in prison. A date for Rabideau to appear for arraignment before U.S. Magistrate Judge David G. Bernthal in Urbana will be determined by the U.S. Clerk of the Court.

Members of the public are reminded that an indictment is merely an accusation; the defendant is presumed innocent unless proven guilty.

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